



City of Rochester Vacuum Oil BOA Implementation Strategy

Step 3 PAC Meeting | July 22, 2015

Meeting Agenda

- Welcome & Introductions
- How Did We Get Here?
- Project Updates and Implementation Activities
- The BOA Action Plan
- Discussion
- Next Steps

The Project Team

- **New York State Department of State**
- **City of Rochester**
- **PLEX Neighborhood Association**
- **Bergmann Associates**
 - RKG Associates
 - Camoin Associates
 - Shumaker Consulting
 - ROC Engineering
 - Natures Way
 - Quality Counts
 - Bruckner (Land Appraisals)
 - *Legal Services - TBD*
- **Marketing & Branding - TBD**

A photograph of an industrial building with a water tower on its roof. The building is multi-story with many windows. A semi-transparent white box is overlaid on the center of the image, containing the text "How Did We Get Here?" in a bold, dark red font. The background is a hazy, overcast sky.

How Did We Get Here?

Project Milestones

**2006 -
2008**

City applied and was awarded funding through the NYS DOS Brownfield Opportunity Area Program



**March
2011**

City, Bergmann and Stakeholders begin BOA planning process



**June
2012**

Public Design Workshop & PLEX Design Charrette

Project Milestones

2012

Vision Plan Development and Refinement



**2012 -
2013**

Submittal of Grant Request to DOS for Step 3 funding and award of grant money



**Feb
2013**

Final Vacuum Oil Nomination Study Submitted to DOS

The Vision Plan



A group of people, including men and women of various ages, are gathered in a room with light green walls and large windows. Some individuals are looking at materials on a table, while others are engaged in conversation. The room has a casual, community-oriented atmosphere. A semi-transparent grey banner is overlaid across the middle of the image, containing the title text in a bold, dark red font.

Project Updates and Implementation Activities

Interagency Work Group Session

March 18, 2015



BOA Designation

On April 9, 2015 Vacuum Oil was one of the first group of 12 BOA's to be officially designated by New York State.

“By designating these sites as brownfield opportunity areas, we are helping to reimagine their potential as vibrant parts of the surrounding communities. This distinction allows us to put their rehabilitation on the fast-track with additional state resources, and that means new development, jobs and opportunities in the future. This is another way that our administration is joining with local partners to revitalize blighted areas across the state.”

- Governor Cuomo

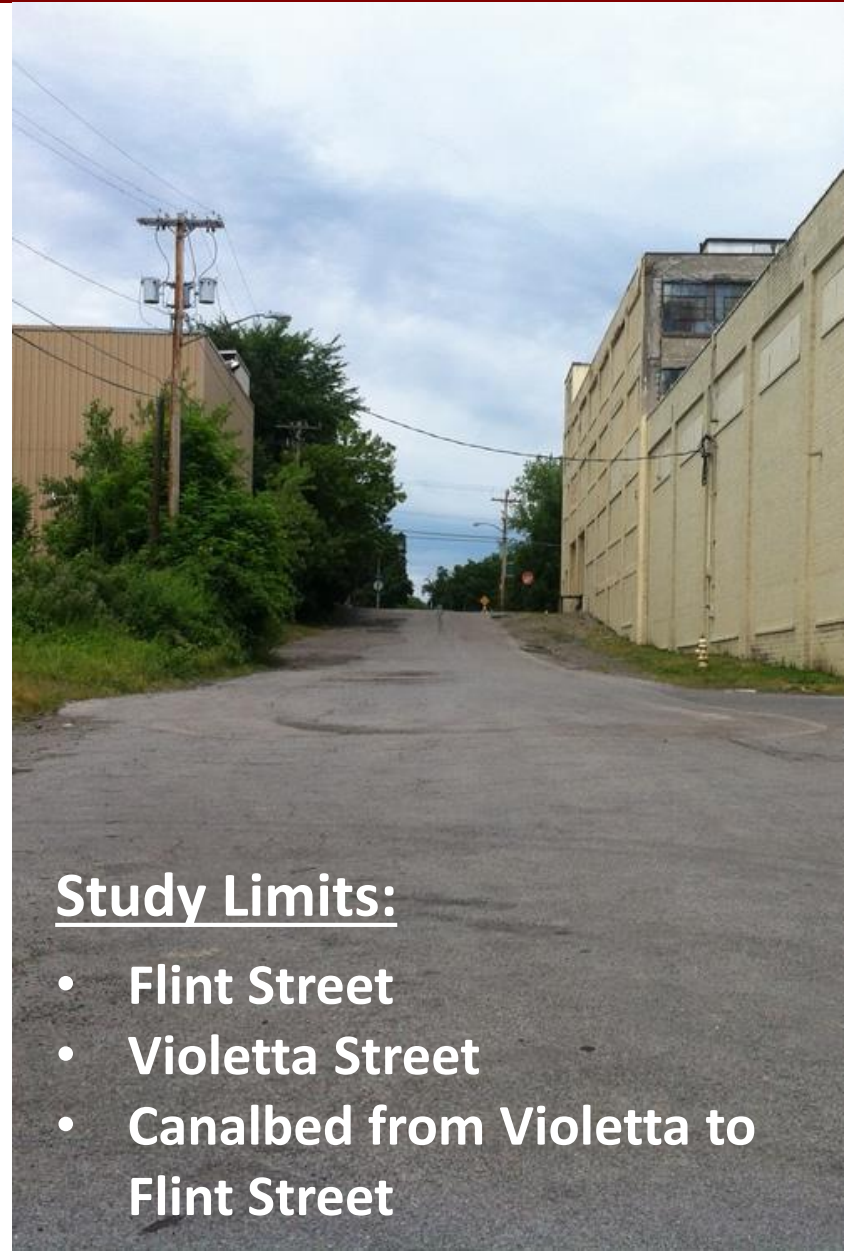
Flint Street Investigation

Environmental

- Some aged petroleum found along Flint Street
- Some heavy metals exceeding residential and commercial clean up objectives

Geotechnical

- Findings conducive to right-of-way improvements



Study Limits:

- Flint Street
- Violetta Street
- Canalbed from Violetta to Flint Street

Phase 1 & 2 ESA's

632 S. Plymouth

- Phase 1 completed 2/2014
- Phase 2 proposed in late 2015

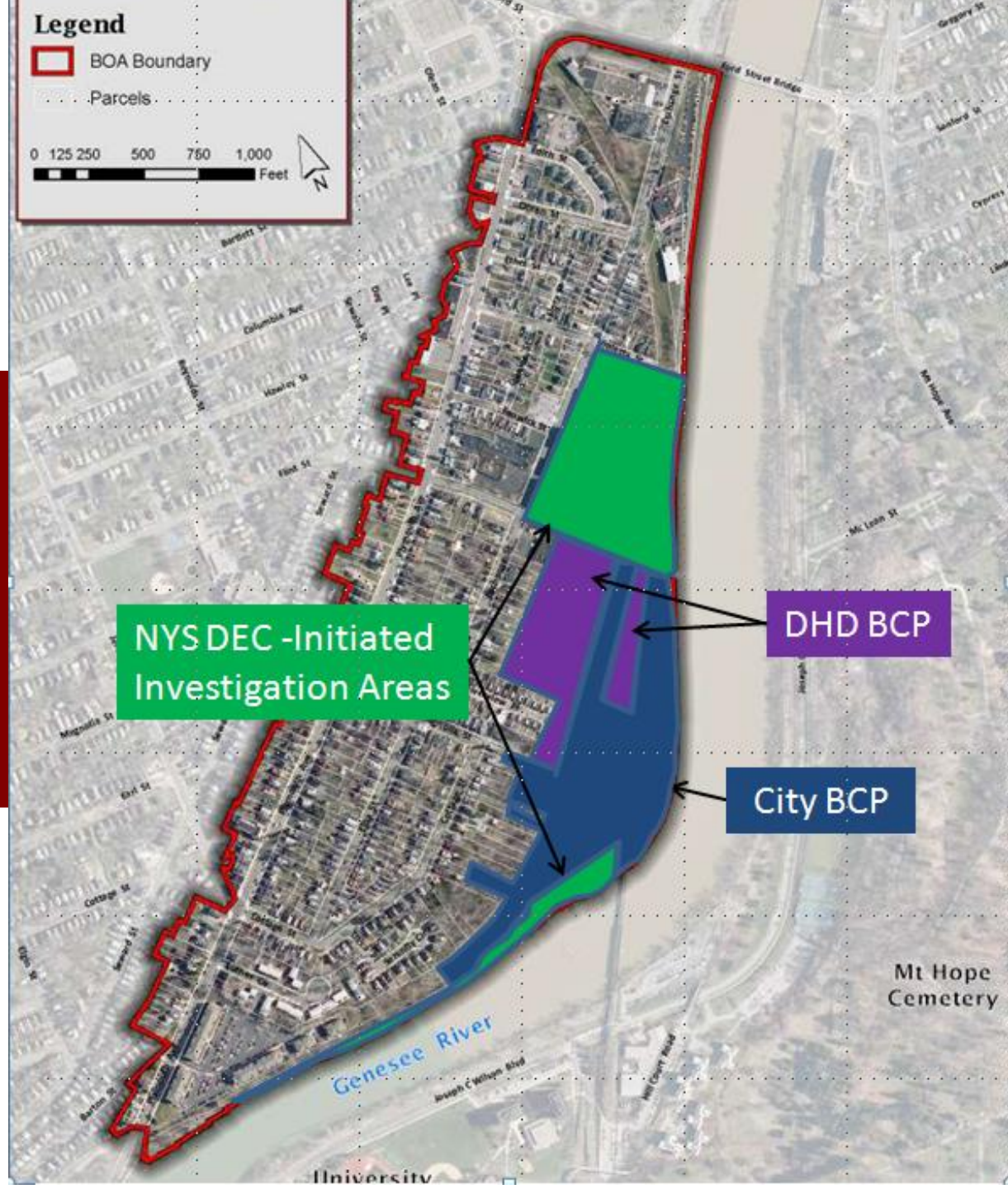


Former Canal bed from 632 S. Plymouth to Violetta

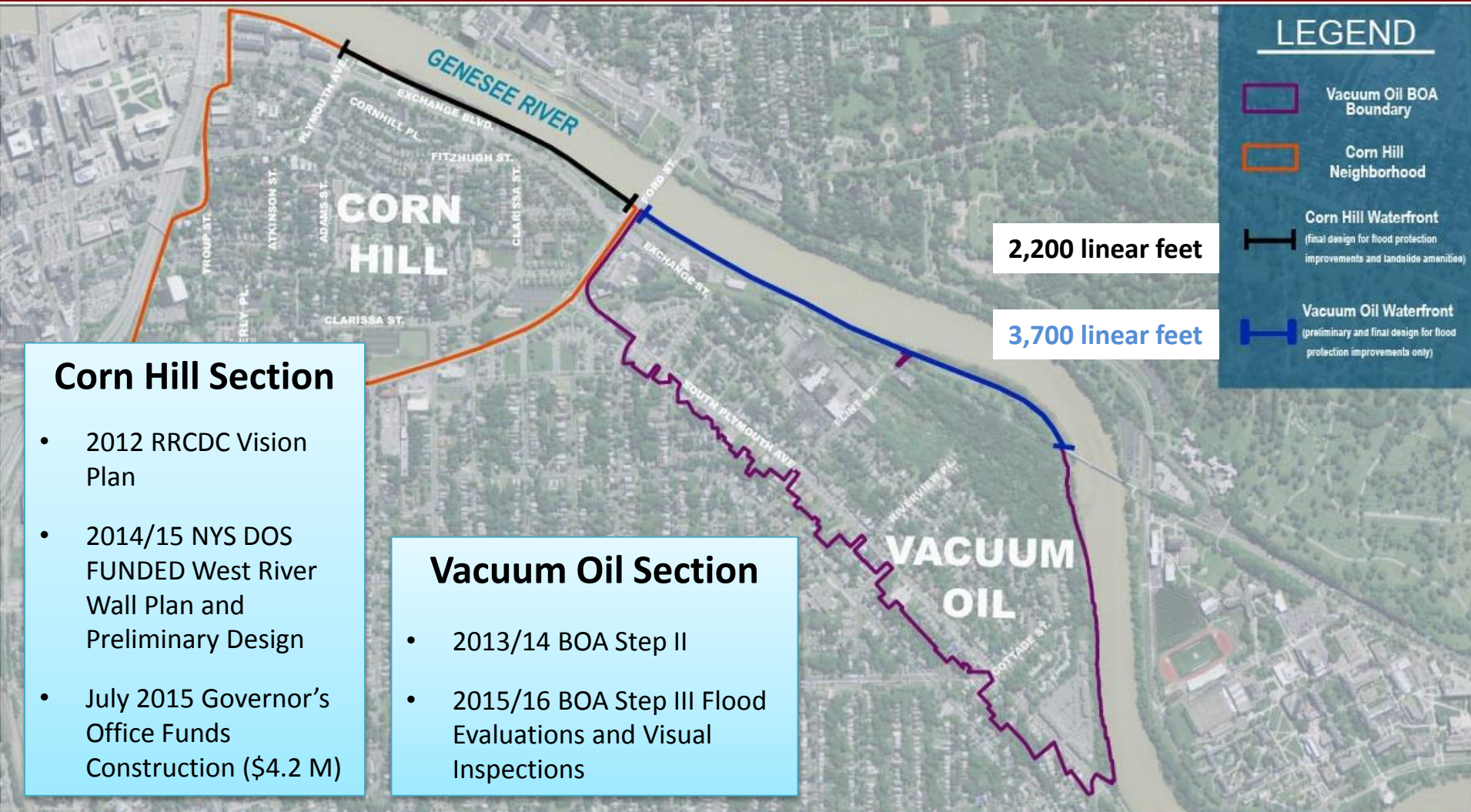
- Phase 1 & 2 proposed in late 2015



Brownfield Clean Up Program



River Wall CFA: *Project Background*



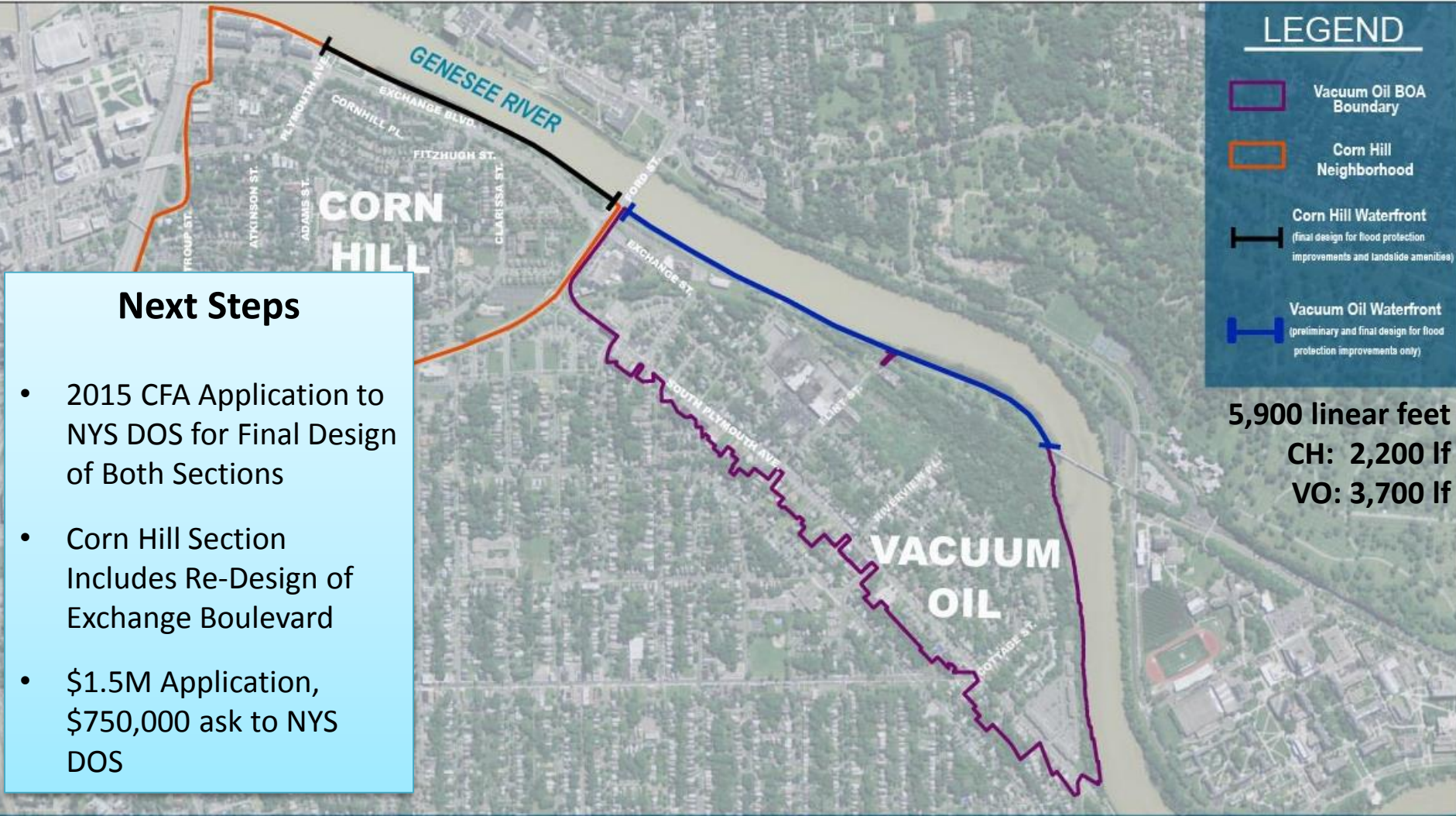
City of Rochester
Mayor Lovely Warren
30 Church Street
Rochester, NY 14614

Genesee River Community Resilience Project- Rochester's West River Wall
NYS Consolidated Funding Application - 52949

0 200 400 800 Feet



River Wall CFA: *Project Background*



City of Rochester
Mayor Lovely Warren
30 Church Street
Rochester, NY 14614

Genesee River Community Resilience Project- Rochester's West River Wall
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0 200 400 800 Feet

River Wall CFA: *Project Background*



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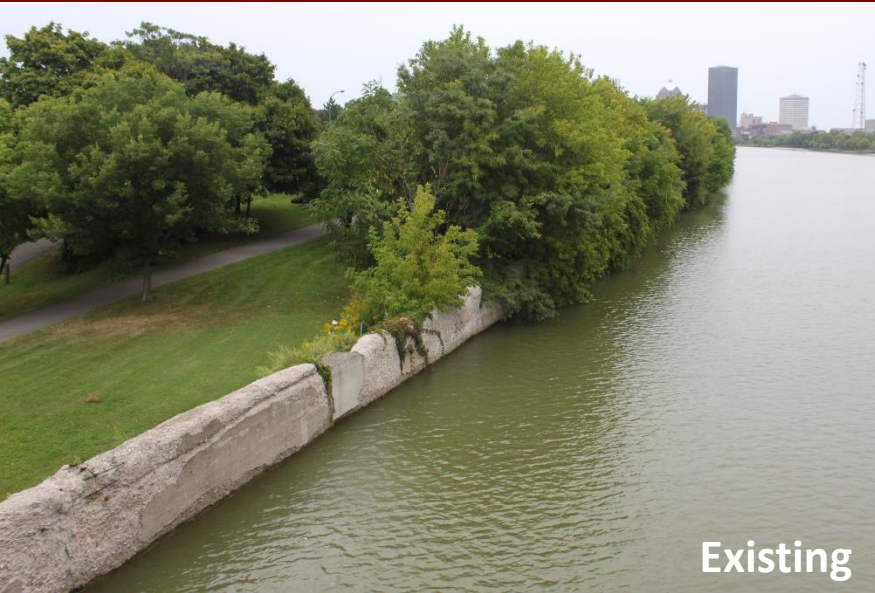


Vacuum Oil Section CFA: *Project Scope*

- Topographic, Right-of-Way and Utility Surveys
- Wall Condition Survey and Structural Assessment
- Geotechnical Evaluation
- Wall Design Alternatives Analysis
- Permitting
- Final Design – River Wall & Flood Protection Berm
- State Environmental Quality Review



River Wall CFA: *Project Background*



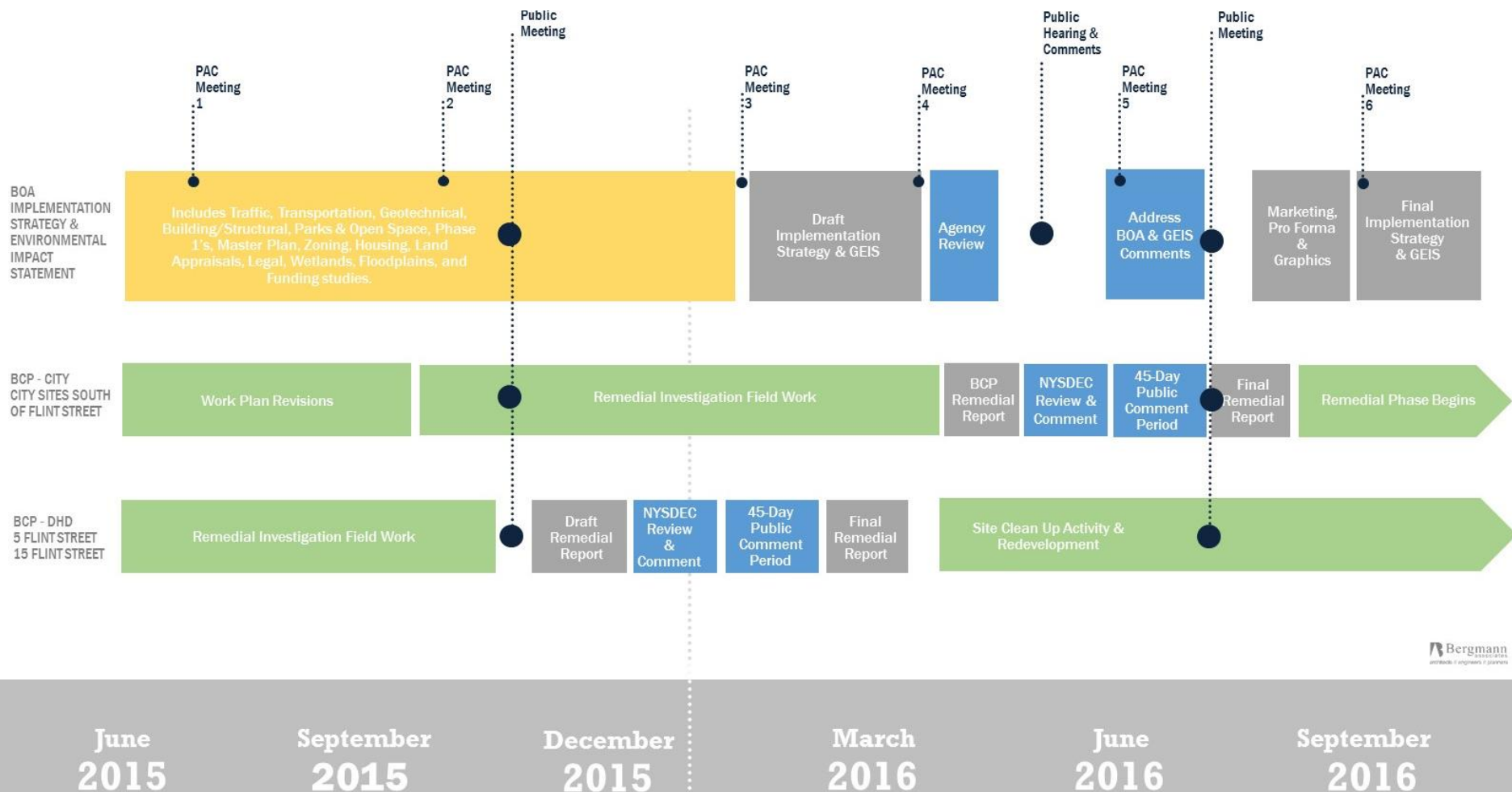
PLEX Park Grant (CFA) Application



An aerial photograph of a suburban area with a semi-transparent map overlay. The map overlay shows a green-shaded region containing various colored shapes representing buildings, parking lots, and landscaping. Yellow shapes are prominent in the upper and lower left of the green area. Orange shapes are located in the upper right and lower right. Grey shapes represent roads and other infrastructure. The text 'The BOA Action Plan: Project Elements' is centered over the map.

The BOA Action Plan: **Project Elements**

The Vacuum Oil Program Timeline



Community Engagement



- **Project Advisory Committee Meetings (6)**
- **Public Information Meetings (2)**
- **Neighborhood Meetings / Informal**
- **Monthly PLEX Meetings**
- **Stakeholder Meetings**
- **Public Hearing and Comment Period (1)**

An aerial photograph of a suburban area with a semi-transparent green planning overlay. The overlay shows a network of streets, green spaces, and building footprints. Some areas are highlighted in yellow, orange, and red, indicating specific project zones or priorities. The text is centered over the middle of the map.

The BOA Action Plan: **TASKS IN PROGRESS**

Structural Assessments

- **Structural integrity compromised in a number of locations - further structural analysis is needed**
- **Short-term stabilization will limit further deterioration**
- **Most significant issues:**
 - **Roof membrane**
 - **Debris and construction materials in interior**
 - **Water infiltration**
 - **Asbestos containing materials**



Geotechnical Investigations

- Consolidation of existing information to identify gaps in data
- Boring locations TBD based on data compilation



Traffic Analysis

- **Collected existing traffic data information and new intersection counts**
- **Obtained Synchro traffic models from the Monroe County Department of Transportation (MCDOT)**
- **Developed traffic analysis models for existing conditions, expanding the MCDOT models to include the full study area along Plymouth Avenue and Exchange Street**
- **Trip generation estimates for each of the three master plan phases**



Transportation Feasibility Study

- Reviewed preliminary alignment extending Magnolia Street
- Reviewed preliminary alignment and grade change from Exchange Street to Canal bed
- Obtained survey data from City
- Compiling survey data to create accurate baseline of information



An aerial photograph of a suburban area with a semi-transparent green planning map overlaid. The map shows a network of streets, green spaces, and building footprints. A diagonal road runs from the top right towards the bottom left. The text 'The BOA Action Plan: UPCOMING TASKS' is centered over the map.

The BOA Action Plan: **UPCOMING TASKS**

Waterfront & Public Realm Master Plan

Interpretive Opportunities



Public Space Improvements



Neighborhood Park Enhancements



Wetland and Invasive Species Plan

- Identify presence of wetlands and invasive species
- Update Clearing Plan completed in Step 2
- Recommendations for landscape / natural area enhancements



The diagram illustrates a trail corridor with various plant recommendations. Labels include: "TO KEEP TRAIL REGULATORY COMPLIANT FROM THE TRAIL", "THE BLUE HOP HOPPER", "Bergmann's Blueberry", "TO KEEP THE CORRIDOR OPEN AND CLEAR OF INVASIVE SPECIES", "TO KEEP THE CORRIDOR OPEN AND CLEAR OF INVASIVE SPECIES", and "TO KEEP THE CORRIDOR OPEN AND CLEAR OF INVASIVE SPECIES".

Plant Recommendations

Edible native plants could be planted in grassways along the trail to help give an identity to the corridor. Community members at the PLEX neighborhood have expressed interest in using edible native plants as a way to interpret cultural and historic uses of the corridor including the Underground Railroad and the Camp Fitz John Porter site, which was used as a recruit camp during the civil war.

Potential edible native plantings to be used near the Camp Fitz John Porter site and throughout the corridor include:

- Apple Trees
- Blackberry
- Black Raspberry
- Elderberry
- Highbush Blueberry
- Huckleberry
- Pawpaw
- Northern Bayberry
- Ozark Fennel
- Persimmon
- Shadblow

Camp Fitz John Porter

Floodplain Assessment

- **Determine Flood Elevations**
- **Identify Potential Development Impacts**
- **Develop Mitigation Strategies / Alternatives**
- **Letter of Map Revision**



Land Appraisals

- **Multiple properties in Vacuum Oil footprint and/or properties needed for new right-of-way**
- **Budgeting, cost estimating, financing, legal due diligence**



Housing Reinvestment Strategy



Strengthening the local housing market to improve quality of life...

Housing Reinvestment Strategy

RKG Associates, Inc. to assist in formulating housing reinvestment strategy reflecting market dynamics, financial feasibility and community input

History of working with Bergmann including a similar study for Elmira, New York and a downtown development plan for Watkins Glen, New York.

Data Collection & Review of Resources

- **City-Wide Rochester Housing Market Study (2007)**
- **Residential market potential for JOSANA neighborhood (2010)**
- **Vacuum Oil Brownfield BOA market analysis (2011)**
- **Vacuum Oil BOA Master Plan (2013)**
- **Review of zoning, flood plain and other regulatory constraints that could affect future development**
- **Regional data outputs**
- **Others?**

Neighborhood & Housing Analysis

- Update and refine existing information
- Define the “competitive” market positioning of the PLEX neighborhood relative to surrounding area and City
 - *Assessment, values, rents, general trends*
- What are contributory “quality of life” amenities, or lack thereof
 - *Open space, recreation areas, convenient retail/services*
- Consider relationship of development costs and developer returns
 - *How to overcome any potential “gaps”?*

Investment Opportunities & Strategies

- Preservation and enhancement of PLEX neighborhood identity
 - Options for owner vs renter housing
 - Options to expand retail development
 - Come to terms with what the market will support relative to what the community wants = pick your battles
- Consider selective demolition, land banking and green space as means of enhancing neighborhood amenities and engaging private sector involvement
- Financing capacities and/or limitations
 - Land acquisition costs, permitting and other costs to deliver shovel ready sites
 - Infrastructure capacities and costs to upgrade

Recommendations and Financing

- Who can pay for what and how?
 - Potential for TIF district
 - Tax credits
 - Housing trust fund(s)
 - Public sector – land costs, shovel ready sites, zoning, communal green space, loan guarantees (city, state?)
 - Private sector – mixed-use development, bonus densities, loan guarantees (banks, other institutions?)
 - Challenge of capturing higher valued development
- Establish financial model and pro-forma analysis (as if a developer)
 - Consider residential option
 - Consider mixed-use option
 - Consider retail and commercial option

Housing and Revitalization Projects



Developer Site Reports and Pro-formas

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Rental Income (11,600 leasable sf)	\$ 70,656	\$ 71,363	\$ 72,076	\$ 72,797	\$ 73,525
5% residential vacancy	\$ 1,733	\$ 1,750	\$ 1,768	\$ 1,785	\$ 1,803
15% retail vacancy	\$ 5,400	\$ 5,454	\$ 5,509	\$ 5,564	\$ 5,619
Effective Rental Income	\$ 63,523	\$ 64,158	\$ 64,800	\$ 65,448	\$ 66,102
10% maintenance, management	\$ 6,352	\$ 6,416	\$ 6,480	\$ 6,545	\$ 6,610
Insurance	\$ 5,000	\$ 5,050	\$ 5,101	\$ 5,152	\$ 5,203
Net Operating Income	\$ 52,171	\$ 57,743	\$ 58,320	\$ 58,903	\$ 59,492
Loan Originating Fee (3%)	\$ 13,765	\$ -	\$ -	\$ -	\$ -
Bridge Loan Interest Payment	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Conventional Financing Debt Service Payments	\$ 39,373	\$ 39,373	\$ 39,373	\$ 39,373	\$ 39,373
Annual Debt Service Payments	\$ 93,138	\$ 39,373	\$ 39,373	\$ 39,373	\$ 39,373
Net Cash Flow before Taxes	\$ (40,967)	\$ 18,370	\$ 18,947	\$ 19,531	\$ 20,120

Debt Service Coverage Ratio	0.56	1.47	1.48	1.50	1.51
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Assumptions:

Residential Rent per month for a 2 bedroom (per HUD 2009 Fair Market Rent)	\$ 722
Retail Rent will be \$10 per sf	
Project Costs (12000 total sf x \$65 per sf)	\$ 780,000
Acquisition Costs (Full Market Value)	\$ 78,833
Amount to be Financed	\$ 858,833
Restore Amount	\$ 375,000
Façade Grant	\$ 25,000
Amount to be Financed by Bridge Loan	\$ 400,000
Interest Payment on Bridge Loan	(\$40,000)
Amount to be Financed by Conventional Loan	\$ 458,833
Conventional Financing (7%, 25 years)	\$ 458,833
Annual debt service on conventional loan	(\$39,373)
Annual Insurance Payments (approximation)	\$ 5,000

Test the Feasibility of Projects

Cash Flow

Income

Tax Implications

Rent Calculation					
	Year 1	Year 2	Year 3	Year 4	Year 5
Residential (4 apartments at 2,000 square feet)	\$34,656	\$35,003	\$35,353	\$35,706	\$36,063
Retail (3,600 square feet)	\$36,000	\$36,360	\$36,724	\$37,091	\$37,462
Total Annual Rent	\$70,656	\$71,363	\$72,076	\$72,797	\$73,525

Next Steps

- **Continue to move forward with all inventory and analysis tasks – *December 2015 targeted completion date***
 - **Transportation, Traffic and Infrastructure**
 - **Neighborhood / Housing Study**
 - **Floodplain Assessment**
 - **Parks and Open Space Waterfront Master Plan**
 - **Geotechnical**
- **Community Engagement**
 - **PLEX Neighborhood Association – On-Going**
 - **Public Meeting – Fall 2015**